

**HUMAN SERVICES DEPARTMENT[441]****Adopted and Filed**

Pursuant to the authority of Iowa Code section 249A.4 and 2016 Iowa Acts, chapter 1139, section 27, the Department of Human Services hereby amends Chapter 78, “Amount, Duration and Scope of Medical and Remedial Services,” Chapter 79, “Other Policies Relating to Providers of Medical and Remedial Care,” and Chapter 83, “Medicaid Waiver Services,” Iowa Administrative Code.

These changes are being made to bring administrative rules into compliance with 2015 Iowa Acts, chapter 137, section 149, section (1)(q), as amended by 2016 Iowa Acts, chapter 1139 (House File 2460), section 27, which requires the Department of Human Services to increase the contractual managed care rate floors and the fee-for-service (FFS) rates and payment limits by 1 percent over the rates in effect April 1, 2016, for providers of home- and community-based service (HCBS) waiver services for which the managed care rate floor is based on the average aggregate reimbursement rate for the fiscal year beginning July 1, 2014.

The outdated language regarding encumbering a portion of the cost of home and vehicle modification over 12 months is also being removed as these paragraphs were to be stricken in a prior rule making that removed the cost of home and vehicle modification from the monthly cap under the waiver program.

These amendments increase FFS upper payment limits and reimbursement rates by 1 percent over the rates in effect June 30, 2016, for providers of HCBS waiver services for which the managed care rate floor is based on the average aggregate reimbursement rate for the fiscal year beginning July 1, 2014.

These amendments also increase managed care, the contractual reimbursement rate floor based on the average aggregate reimbursement rate for the fiscal year beginning July 1, 2014, by 1 percent over the rate floor in effect on April 1, 2016.

The caps on the total monthly cost of HCBS waiver services for members under each waiver and the annual respite limit for the intellectual disability (ID) waiver are also being increased by 1 percent. The increases in the caps are put in place so that members may receive the same services after the rate increases.

Finally, these amendments correct the annual limit for specialized medical equipment in Chapter 78 to align with the limit listed in subrule 79.1(2).

Notice of Intended Action was published in the Iowa Administrative Bulletin as **ARC 2849C** on December 7, 2016. These amendments were also Adopted and Filed Emergency and published as **ARC 2848C** on the same date and became effective November 15, 2016.

The Department received comments from three respondents during the public comment period. A summary of the respondent’s comments and the Department’s responses is as follows:

**Comment 1:** Two respondents commented that **ARC 2848C** fails to direct the managed care organizations (MCOs) to pay for the higher of the increased rate floors or the provider contracted rates. The respondents stated that their concern is that, without specific language in Chapter 79 directing the MCOs to pay providers the new increased rate floor, the MCOs will not adjust providers’ rates and may pay providers less than the rate floor.

**Department response 1:** **ARC 2848C** is promulgated to implement the legislated 1 percent increase to the HCBS rates for which the rate floor is based on the average aggregate reimbursement rate for the fiscal year beginning July 1, 2014, and for managed care claims, the reimbursement rate floors shall be increased by 1 percent over the rate floor in effect on April 1, 2016. Under IA Health Link, providers establish negotiated reimbursement rates with the MCOs. If the provider negotiated a rate with an MCO that is more than 1 percent over the initial average aggregate rate, the 1 percent increase will not automatically be applied. Proposed directives for the MCOs are outside the scope of this legislation, and therefore the rule will not be amended at this time.

**Comment 2:** Two respondents commented that **ARC 2848C** fails to direct the MCOs to retroactively pay all claims since July 1, 2016, at the new increased rates. 2016 Iowa Acts, chapter 1139, states that the new increased floor rates apply starting July 1, 2016, if higher than the provider’s current rates. The

respondents expressed concern that, without specific language in Chapter 79 directing the MCOs to pay providers above their contracted rate if the floor rate in place April 1, 2016, plus 1 percent exceeds their contracted rate, it will result in the MCOs' paying providers less than the established rate floor.

**Department response 2:** Department response 1 above applies to Comment 2 as well.

**Comment 3:** In Item 9, the recoupment provisions for HCBS are amended in paragraph 79.1(15)"f." A respondent requested that paragraph 79.1(15)"f" be stricken in its entirety because the respondent believes that the paragraph is punitive to HCBS providers.

**Department response 3:** The amendment to the paragraph increases by 1 percent the amount of revenues able to be retained by providers when retrospective rate adjustments for FFS services are determined. The paragraph will not be amended at this time.

**Comment 4:** A respondent requested that the calculation in paragraph 83.2(2)"b" for nursing level of care be corrected to \$959.50 to accurately reflect the 1 percent increase.

**Department response 4:** The Department agrees with the respondent, and as a result, the nursing-level-of-care amount in paragraph 83.2(2)"b" has been changed from \$950.28 to \$959.50.

Two additional changes have been made since publication of the Notice of Intended Action:

The amount listed in the "upper limit" column as the full-day rate for adult day care under the intellectual disability waiver has been changed from \$70.06 to \$62.42 in subrule 79.1(2) to accurately reflect the 1 percent increase, and a technical correction has been made to the reimbursement methodology language for nursing services under the HCBS AIDS/HIV, health and disability, elderly and intellectual disability waivers. The purpose of the change is to remove the outdated reimbursement methodology and replace it with the reimbursement methodology that reflects current practice.

The Council on Human Services adopted these amendments on January 11, 2017.

These amendments do not provide for waivers in specified situations because requests for the waiver of any rule may be submitted under the Department's general rule on exceptions at 441—1.8(17A,217).

These amendments may increase private-sector wages for employees providing home- and community-based services under HCBS waiver programs.

These amendments are intended to implement Iowa Code section 249A.4 and 2016 Iowa Acts, chapter 1139, section 27.

These amendments will become effective March 8, 2017, at which time the Adopted and Filed Emergency amendments are hereby rescinded.

The following amendments are adopted.

ITEM 1. Amend subparagraph **78.27(10)"e"(2)** as follows:

(2) In absence of a monthly cap on the cost of waiver services, the total monthly cost of all supported employment services may not exceed ~~\$3,029.00~~ \$3,059.29 per month.

ITEM 2. Amend paragraph **78.34(9)"g"** as follows:

g. Service payment shall be made to the enrolled home or vehicle modification provider. If applicable, payment will be forwarded to the subcontracting agency by the enrolled home or vehicle modification provider following completion of the approved modifications.

(1) Payment of up to \$6,366.64 per year may be made to certified providers upon satisfactory completion of the service.

~~(2) The case manager or service worker shall encumber a portion of the cost of a modification every month within the monthly dollar cap allowed for the member until the entire cost of the modification is encumbered within a consecutive 12-month period.~~

ITEM 3. Amend paragraph **78.41(2)"i"** as follows:

i. Payment for respite services shall not exceed ~~\$7,262~~ \$7,334.62 per the member's waiver year.

ITEM 4. Amend paragraph **78.43(5)"g"** as follows:

g. Service payment shall be made to the enrolled home or vehicle modification provider. If applicable, payment will be forwarded to the subcontracting agency by the enrolled home or vehicle modification provider following completion of the approved modifications. Payment of up to \$6,366.64 per year may be made to certified providers upon satisfactory completion of the service. ~~The case~~

~~manager or service worker may encumber a portion of the cost of a modification every month within the monthly dollar cap allowed for the member until the entire cost of the modification is encumbered within a consecutive 12-month period.~~

ITEM 5. Amend paragraph **78.43(8)“c”** as follows:

c. Payment of up to ~~\$6,060~~ \$6,366.64 per year may be made to enrolled specialized medical equipment providers upon satisfactory receipt of the service. Each month within the 12-month period, the service worker shall encumber an amount within the monthly dollar cap allowed for the member until the amount of the equipment cost is reached.

ITEM 6. Amend paragraph **78.46(2)“g”** as follows:

g. Service payment shall be made to the enrolled home or vehicle modification provider. If applicable, payment will be forwarded to the subcontracting agency by the enrolled home or vehicle modification provider following completion of the approved modifications. Payment of up to \$6,366.64 per year may be made to certified providers upon satisfactory completion of the service. ~~The case manager or service worker shall encumber a portion of the cost of a modification every month within the monthly dollar cap allowed for the member until the entire cost of the modification is encumbered within a consecutive 12-month period.~~

ITEM 7. Amend paragraph **78.46(4)“c”** as follows:

c. Payment of up to ~~\$6,060~~ \$6,366.64 per year may be made to enrolled specialized medical equipment providers upon satisfactory receipt of the service. ~~Each month within the 12-month period, the service worker shall encumber an amount within the monthly dollar cap allowed for the member until the amount of the equipment cost is reached.~~

ITEM 8. Amend subrule **79.1(2)**, provider category “HCBS waiver service providers,” as follows:

<u>Provider category</u>	<u>Basis of reimbursement</u>	<u>Upper limit</u>
HCBS waiver service providers, including:		Except as noted, limits apply to all waivers that cover the named provider.
1. Adult day care	Fee schedule	Effective <del>7/1/13</del> <u>7/1/16</u> , for AIDS/HIV, brain injury, elderly, and ill and handicapped waivers: Provider’s rate in effect <del>6/30/13</del> <u>6/30/16</u> plus <del>3%</del> <u>1%</u> , converted to a 15-minute, half-day, full-day, or extended-day rate. If no <del>6/30/13</del> <u>6/30/16</u> rate: Veterans Administration contract rate or \$1.45 <u>\$1.47</u> per 15-minute unit, <del>\$23.24</del> <u>\$23.47</u> per half day, <del>\$46.26</del> <u>\$46.72</u> per full day, or <del>\$69.37</del> <u>\$70.06</u> per extended day if no Veterans Administration contract.  Effective <del>7/1/13</del> <u>7/1/16</u> , for intellectual disability waiver: County contract rate or, in the absence of a contract rate, provider’s rate in effect <del>6/30/13</del> <u>6/30/16</u> plus <del>3%</del> <u>1%</u> , converted to a 15-minute, half-day,

<u>Provider category</u>	<u>Basis of reimbursement</u>	<u>Upper limit</u>
		full-day, or extended-day rate. If no <del>6/30/13</del> <u>6/30/16</u> rate, <del>\$1.94</del> <u>\$1.96</u> per 15-minute unit, <del>\$30.96</del> <u>\$31.27</u> per half day, <del>\$61.80</del> <u>\$62.42</u> per full day, or <del>\$78.80</del> <u>\$79.59</u> per extended day.
2. No change.		
3. Home health aides	Retrospective cost-related	For AIDS/HIV, elderly, and health and disability waivers effective <del>7/1/13</del> <u>7/1/16</u> : Lesser of maximum Medicare rate in effect <del>6/30/13</del> <u>6/30/16</u> plus 3% <u>1%</u> or maximum Medicaid rate in effect <del>6/30/13</del> <u>6/30/16</u> plus 3% <u>1%</u> .  For intellectual disability waiver effective <del>7/1/13</del> <u>7/1/16</u> : Lesser of maximum Medicare rate in effect <del>6/30/13</del> <u>6/30/16</u> plus 3% <u>1%</u> or maximum Medicaid rate in effect <del>6/30/13</del> <u>6/30/16</u> plus 3% <u>1%</u> , converted to an hourly rate.
4. No change.		
5. Nursing care	<del>For elderly and intellectual disability waivers: Fee schedule as determined by Medicare.</del>	For <u>AIDS/HIV, health and disability, elderly and intellectual disability waiver</u> effective <del>7/1/13</del> <u>7/1/16</u> , provider's rate in effect <del>6/30/13</del> <u>6/30/16</u> plus 3% <u>1%</u> . If no <del>6/30/13</del> <u>6/30/16</u> rate: <del>\$87.12</del> <u>\$87.99</u> per visit.  <del>For intellectual disability waiver effective 7/1/13: Lesser of maximum Medicare rate in effect 6/30/13 plus 3% or maximum Medicaid rate in effect 6/30/13 plus 3%, converted to an hourly rate.</del>
	<del>For AIDS/HIV and health and disability waivers: Agency's financial and statistical cost report and Medicare percentage rate per visit.</del>	<del>For AIDS/HIV and health and disability waivers effective 7/1/13, provider's rate in effect 6/30/13 plus 3%. If no 6/30/13 rate: \$87.12 per visit.</del>
6. Respite care when provided by: Home health agency:		

<u>Provider category</u>	<u>Basis of reimbursement</u>	<u>Upper limit</u>
Specialized respite	Cost-based rate for nursing services provided by a home health agency	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute rate. If no <del>6/30/13</del> 6/30/16 rate: Lesser of maximum Medicare rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute rate, or maximum Medicaid rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute rate, not to exceed <del>\$311.97</del> \$315.09 per day.
Basic individual respite	Cost-based rate for home health aide services provided by a home health agency	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute rate. If no <del>6/30/13</del> 6/30/16 rate: Lesser of maximum Medicare rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute rate, or maximum Medicaid rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute rate, not to exceed <del>\$311.97</del> \$315.09 per day.
Group respite	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute rate. If no <del>6/30/13</del> 6/30/16 rate: \$3.45 <del>\$3.49</del> per 15-minute unit, not to exceed <del>\$311.97</del> \$315.09 per day.
Home care agency: Specialized respite	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute rate. If no <del>6/30/13</del> 6/30/16 rate: \$8.87 <del>\$8.96</del> per 15-minute unit, not to exceed <del>\$311.97</del> \$315.09 per day.
Basic individual respite	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute rate. If no <del>6/30/13</del> 6/30/16 rate: \$4.73 <del>\$4.78</del> per 15-minute unit, not to exceed <del>\$311.97</del> \$315.09 per day.
Group respite	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute rate. If no <del>6/30/13</del> 6/30/16 rate: \$3.45 <del>\$3.49</del> per 15-minute unit, not to exceed <del>\$311.97</del> \$315.09 per day.
Nonfacility care:		

<u>Provider category</u>	<u>Basis of reimbursement</u>	<u>Upper limit</u>
Specialized respite	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect 6/30/13 6/30/16 plus 3% 1%, converted to a 15-minute rate. If no 6/30/13 6/30/16 rate: \$8.87 \$8.96 per 15-minute unit, not to exceed <del>\$311.97</del> \$315.09 per day.
Basic individual respite	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect 6/30/13 6/30/16 plus 3% 1%, converted to a 15-minute rate. If no 6/30/13 6/30/16 rate: \$4.73 \$4.78 per 15-minute unit, not to exceed <del>\$311.97</del> \$315.09 per day.
Group respite	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect 6/30/13 6/30/16 plus 3% 1%, converted to a 15-minute rate. If no 6/30/13 6/30/16 rate: \$3.45 \$3.49 per 15-minute unit, not to exceed <del>\$311.97</del> \$315.09 per day.
Facility care:		
Hospital or nursing facility providing skilled care	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect 6/30/13 6/30/16 plus 3% 1%, converted to a 15-minute rate. If no 6/30/13 6/30/16 rate: \$3.45 \$3.49 per 15-minute unit, not to exceed the facility's daily Medicaid rate for skilled nursing level of care.
Nursing facility	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect 6/30/13 6/30/16 plus 3% 1%, converted to a 15-minute rate. If no 6/30/13 6/30/16 rate: \$3.45 \$3.49 per 15-minute unit, not to exceed the facility's daily Medicaid rate.
Camps	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect 6/30/13 6/30/16 plus 3% 1%, converted to a 15-minute rate. If no 6/30/13 6/30/16 rate: \$3.45 \$3.49 per 15-minute unit, not to exceed <del>\$311.97</del> \$315.09 per day.
Adult day care	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect 6/30/13 6/30/16 plus 3% 1%, converted to a 15-minute rate. If no 6/30/13 6/30/16 rate: \$3.45 \$3.49 per 15-minute unit, not to exceed rate for regular adult day care services.

<u>Provider category</u>	<u>Basis of reimbursement</u>	<u>Upper limit</u>
Intermediate care facility for persons with an intellectual disability	Fee schedule	Effective <del>7/1/13</del> <u>7/1/16</u> , provider's rate in effect <del>6/30/13</del> <u>6/30/16</u> plus 3% <u>1%</u> , converted to a 15-minute rate. If no <del>6/30/13</del> <u>6/30/16</u> rate: <del>\$3.45</del> <u>\$3.49</u> per 15-minute unit, not to exceed the facility's daily Medicaid rate.
Residential care facilities for persons with an intellectual disability	Fee schedule	Effective <del>7/1/13</del> <u>7/1/16</u> , provider's rate in effect <del>6/30/13</del> <u>6/30/16</u> plus 3% <u>1%</u> , converted to a 15-minute rate. If no <del>6/30/13</del> <u>6/30/16</u> rate: <del>\$3.45</del> <u>\$3.49</u> per 15-minute unit, not to exceed contractual daily rate.
Foster group care	Fee schedule	Effective <del>7/1/13</del> <u>7/1/16</u> , provider's rate in effect <del>6/30/13</del> <u>6/30/16</u> plus 3% <u>1%</u> , converted to a 15-minute rate. If no <del>6/30/13</del> <u>6/30/16</u> rate: <del>\$3.45</del> <u>\$3.49</u> per 15-minute unit, not to exceed daily rate for child welfare services.
Child care facilities	Fee schedule	Effective <del>7/1/13</del> <u>7/1/16</u> , provider's rate in effect <del>6/30/13</del> <u>6/30/16</u> plus 3% <u>1%</u> , converted to a 15-minute rate. If no <del>6/30/13</del> <u>6/30/16</u> rate: <del>\$3.45</del> <u>\$3.49</u> per 15-minute unit, not to exceed contractual daily rate.
7. to 9. No change.		
10. Mental health outreach providers	Fee schedule	Effective <del>7/1/13</del> <u>7/1/16</u> , provider's rate in effect <del>6/30/13</del> <u>6/30/16</u> plus 3% <u>1%</u> . If no <del>6/30/13</del> <u>6/30/16</u> rate: On-site Medicaid reimbursement rate for center or provider. Maximum of 1,440 units per year.
11. No change.		
12. Nutritional counseling	Fee schedule	Effective <del>7/1/13</del> <u>7/1/16</u> for non-county contract: Provider's rate in effect <del>6/30/13</del> <u>6/30/16</u> plus 3% <u>1%</u> , converted to a 15-minute rate. If no <del>6/30/13</del> <u>6/30/16</u> rate: <del>\$8.67</del> <u>\$8.76</u> per 15-minute unit.
13. No change.		
14. Senior companion	Fee schedule	Effective <del>7/1/13</del> <u>7/1/16</u> for non-county contract: Provider's rate in effect <del>6/30/13</del> <u>6/30/16</u> plus 3% <u>1%</u> , converted to a 15-minute rate. If no <del>6/30/13</del> <u>6/30/16</u> rate: <del>\$1.87</del> <u>\$1.89</u> per 15-minute unit.
15. Consumer-directed attendant care provided by:		

<u>Provider category</u>	<u>Basis of reimbursement</u>	<u>Upper limit</u>
Agency (other than an elderly waiver assisted living program)	Fee agreed upon by member and provider	Effective <del>7/1/13</del> <u>7/1/16</u> , provider's rate in effect <del>6/30/13</del> <u>6/30/16</u> plus <del>3%</del> <u>1%</u> , converted to a 15-minute rate. If no <del>6/30/13</del> <u>6/30/16</u> rate: <del>\$5.30</del> <u>\$5.35</u> per 15-minute unit, not to exceed <del>\$122.62</del> <u>\$123.85</u> per day.
Assisted living program (for elderly waiver only)	Fee agreed upon by member and provider	Effective <del>7/1/13</del> <u>7/1/16</u> , provider's rate in effect <del>6/30/13</del> <u>6/30/16</u> plus <del>3%</del> <u>1%</u> , converted to a 15-minute rate. If no <del>6/30/13</del> <u>6/30/16</u> rate: <del>\$5.30</del> <u>\$5.35</u> per 15-minute unit, not to exceed <del>\$122.62</del> <u>\$123.85</u> per day.
Individual	Fee agreed upon by member and provider	Effective <del>7/1/13</del> <u>7/1/16</u> , <del>\$3.54</del> <u>\$3.58</u> per 15-minute unit, not to exceed <del>\$82.53</del> <u>\$83.36</u> per day. When an individual who serves as a member's legal representative provides services to the member as allowed by 79.9(7) "b," the payment rate must be based on the skill level of the legal representative and may not exceed the median statewide reimbursement rate for the service unless the higher rate receives prior approval from the department.
16. Counseling:		
Individual	Fee schedule	Effective <del>7/1/13</del> <u>7/1/16</u> , provider's rate in effect <del>6/30/13</del> <u>6/30/16</u> plus <del>3%</del> <u>1%</u> , converted to a 15-minute rate. If no <del>6/30/13</del> <u>6/30/16</u> rate: <del>\$11.34</del> <u>\$11.45</u> per 15-minute unit.
Group	Fee schedule	Effective <del>7/1/13</del> <u>7/1/16</u> , provider's rate in effect <del>6/30/13</del> <u>6/30/16</u> plus <del>3%</del> <u>1%</u> , converted to a 15-minute rate. If no <del>6/30/13</del> <u>6/30/16</u> rate: <del>\$11.33</del> <u>\$11.44</u> per 15-minute unit. Rate is divided by six, or, if the number of persons who comprise the group exceeds six, the actual number of persons who comprise the group.
17. Case management	Fee for service with cost settlement. See 79.1(1) "d."	For brain injury and elderly waivers: Retrospective cost-settled rate.
18. Supported community living	Retrospectively limited prospective rates. See 79.1(15)	For intellectual disability and brain injury waiver effective <del>7/1/13</del> <u>7/1/16</u> : <del>\$9.19</del> <u>\$9.28</u> per 15-minute unit, not to exceed the maximum daily ICF/ID rate per day plus <del>3%</del> <u>3.927%</u> .
19. Supported employment:		



<u>Provider category</u>	<u>Basis of reimbursement</u>	<u>Upper limit</u>
Individual supported employment	Fee schedule	Fee schedule in effect <del>May 4, 2016</del> 7/1/16. Total monthly cost for all supported employment services not to exceed <del>\$3,029.00</del> <u>\$3,059.29</u> per month.
Long-term job coaching	Fee schedule	Fee schedule in effect <del>May 4, 2016</del> 7/1/16. Total monthly cost for all supported employment services not to exceed <del>\$3,029.00</del> <u>\$3,059.29</u> per month.
Small-group supported employment (2 to 8 individuals)	Fee schedule	Fee schedule in effect <del>May 4, 2016</del> 7/1/16. Maximum 160 units per week. Total monthly cost for all supported employment services not to exceed <del>\$3,029.00</del> <u>\$3,059.29</u> per month.
20. No change.		
21. Behavioral programming	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect <del>6/30/13</del> 6/30/16 plus <del>3%</del> 1%. If no <del>6/30/13</del> 6/30/16 rate: <del>\$11.34</del> <u>\$11.45</u> per 15 minutes.
22. Family counseling and training	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect <del>6/30/13</del> 6/30/16 plus <del>3%</del> 1%, converted to a 15-minute rate. If no <del>6/30/13</del> 6/30/16 rate: <del>\$11.33</del> <u>\$11.44</u> per 15-minute unit.
23. Prevocational services, including career exploration	Fee schedule	Fee schedule in effect <del>May 4, 2016</del> 7/1/16.
24. Interim medical monitoring and treatment:		
Home health agency (provided by home health aide)	Cost-based rate for home health aide services provided by a home health agency	Effective <del>7/1/13</del> 7/1/16: Lesser of maximum Medicare rate in effect <del>6/30/13</del> 6/30/16 plus <del>3%</del> 1%, converted to a 15-minute rate, or maximum Medicaid rate in effect <del>6/30/13</del> 6/30/16 plus <del>3%</del> 1%, converted to a 15-minute rate.
Home health agency (provided by nurse)	Cost-based rate for nursing services provided by a home health agency	Effective <del>7/1/13</del> 7/1/16: Lesser of maximum Medicare rate in effect <del>6/30/13</del> 6/30/16 plus <del>3%</del> 1%, converted to a 15-minute rate, or maximum Medicaid rate in effect <del>6/30/13</del> 6/30/16 plus <del>3%</del> 1%, converted to a 15-minute rate.
Child development home or center	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect <del>6/30/13</del> 6/30/16 plus <del>3%</del> 1%, converted to a 15-minute rate. If no <del>6/30/13</del> 6/30/16 rate: <del>\$3.45</del> <u>\$3.49</u> per 15-minute unit.

<u>Provider category</u>	<u>Basis of reimbursement</u>	<u>Upper limit</u>
Supported community living provider	Retrospectively limited prospective rate. See 79.1(15)	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute rate. If no <del>6/30/13</del> 6/30/16 rate: <del>\$9.19</del> \$9.28 per 15-minute unit, not to exceed the maximum ICF/ID rate per day plus 3% <del>3.927%</del> .
25. Residential-based supported community living	Retrospectively limited prospective rates. See 79.1(15)	Effective <del>7/1/13</del> 7/1/16: Not to exceed the maximum ICF/ID rate per day plus 3% <del>3.927%</del> .
26. Day habilitation	Fee schedule	Effective <del>7/1/13</del> 7/1/16: <del>County contract rate converted to a 15-minute or daily rate or, in the absence of a contract rate, provider's</del> Provider's rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute or daily rate. If no <del>6/30/13</del> 6/30/16 rate: <del>\$3.47</del> \$3.51 per 15-minute unit or <del>\$67.55</del> \$68.23 per day.
27. No change.		
28. Family and community support services	Retrospectively limited prospective rates. See 79.1(15)	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute rate. If no <del>6/30/13</del> 6/30/16 rate: <del>\$9.19</del> \$9.28 per 15-minute unit.
29. In-home family therapy	Fee schedule	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> , converted to a 15-minute rate. If no <del>6/30/13</del> 6/30/16 rate: <del>\$24.60</del> \$24.85 per 15-minute unit.
30. No change.		
31. Independent support broker	Rate negotiated by member	Effective <del>7/1/13</del> 7/1/16, provider's rate in effect <del>6/30/13</del> 6/30/16 plus 3% <del>1%</del> . If no <del>6/30/13</del> 6/30/16 rate: <del>\$15.91</del> \$16.07 per hour.
32. to 34. No change.		
35. Assisted living on-call service providers (elderly waiver only)	Fee agreed upon by member and provider.	<del>\$25.75</del> \$26.08 per day.

ITEM 9. Amend paragraph 79.1(15)“f” as follows:

*f. Retrospective adjustments.*

(1) No change.

(2) ~~Revenues~~ For services provided from July 1, 2015, through June 30, 2016, revenues exceeding adjusted actual costs by more than 4.5 percent shall be remitted to the department. Payment will be due upon notice of the new rates and retrospective rate adjustment.

(3) ~~Providers~~ For services provided from July 1, 2015, through June 30, 2016, providers who do not reimburse revenues exceeding 104.5 percent of actual costs 30 days after notice is given by the department will have the revenues over 104.5 percent of the actual costs deducted from future payments.

(4) For services provided on or after July 1, 2016, revenues exceeding adjusted actual costs by more than 5.5 percent shall be remitted to the department. Payment will be due upon notice of the new rates and retrospective rate adjustment.

(5) For services provided on or after July 1, 2016, providers who do not reimburse revenues exceeding 105.5 percent of actual costs 30 days after notice is given by the department will have the revenues over 105.5 percent of the actual costs deducted from future payments.

ITEM 10. Amend paragraph **83.2(2)“b”** as follows:

b. Except as provided below, the total monthly cost of the health and disability waiver services, excluding the cost of home and vehicle modification services, shall not exceed the established aggregate monthly cost for level of care as follows:

<u>Skilled level of care</u>	<u>Nursing level of care</u>	<u>ICF/ID</u>
<del>\$2,765</del> <u>\$2,792.65</u>	<del>\$950</del> <u>\$959.50</u>	<del>\$3,365</del> <u>\$3,742.93</u>

(1) For members eligible for SSI who remain eligible for health and disability waiver services until the age of 25 because they are receiving health and disability waiver services upon reaching the age of 21, these amounts shall be increased by the cost of services for which the member would be eligible under 441—subrule 78.9(10) if still under 21 years of age.

~~(2) If more than \$505 is paid for home and vehicle modification services, the service worker or targeted case manager shall encumber up to \$505 per month within the monthly dollar cap allowed for the member until the total amount of the modification is reached within a 12-month period.~~

ITEM 11. Amend subparagraph **83.22(2)“c”(2)** as follows:

(2) Services must be the least costly available to meet the service needs of the member. The total monthly cost of the elderly waiver services exclusive of case management services shall not exceed the established monthly cost of the level of care. Aggregate monthly costs, excluding the cost of case management and home and vehicle modifications, are limited as follows:

<u>Skilled level of care</u>	<u>Nursing level of care</u>
<del>\$2,765</del> <u>\$2,792.65</u>	<del>\$1,339</del> <u>\$1,365.78</u>

ITEM 12. Amend paragraph **83.42(2)“b”** as follows:

b. The total monthly cost of the AIDS/HIV waiver services shall not exceed the established aggregate monthly cost for level of care. The monthly cost of AIDS/HIV waiver services cannot exceed the established limit of ~~\$1,840~~ \$1,876.80.

ITEM 13. Amend paragraph **83.82(2)“d”** as follows:

d. The total cost of brain injury waiver services, excluding the cost of case management and home and vehicle modifications, shall not exceed ~~\$2,954~~ \$3,013.08 per month.

ITEM 14. Amend paragraph **83.102(2)“b”** as follows:

b. The total cost of physical disability waiver services, excluding the cost of home and vehicle modifications, shall not exceed ~~\$692~~ \$705.84 per month.

ITEM 15. Amend paragraph **83.122(6)“b”** as follows:

b. The total cost of children’s mental health waiver services needed to meet the member’s needs, excluding the cost of environmental modifications, adaptive devices and therapeutic resources, may not exceed ~~\$1,967~~ \$2,006.34 per month.

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 2/1/17.